



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Thursday, October 12, 2006

Electricity

AEP-led Joint Venture to Build New Electric Transmission Lines in Texas

American Electric Power announced on October 10 a plan to form a joint venture to build 1\$ billion worth of new electric transmission assets in Texas. AEP is currently in discussion with potential partners and expects the joint venture to start in early 2007.

<http://www.platts.com/Electric%20Power/News/6303640.xml?p=Electric%20Power/News&sub=Electric%20Power>

CMS, Peabody to Build 1,600 MW Coal-fired Plant in Illinois

On October 10, CMS Energy and Peabody Energy announced their plans to develop a 1,600 MW coal-fired power plant and a new coal mine in southern Illinois. The proposed plant will have two 800 MW coal-fired units which are expected to be supplied from the new Lively Grove Mine nearby. The project has all major permits necessary to begin construction, though no groundbreaking has yet been set. Peabody said construction would take about four years.

http://biz.yahoo.com/ap/061011/peabody_new_plant.html?.v=1

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BjkooqrpXTfc%23%3A%40%24bfe1%5Dv>

Duke Energy's 1,300 MW Zimmer Coal-fired Unit in Ohio Shut October 10

Reuters, 08:04 October 12, 2006

FPL's 693 MW Turkey Point Nuke Unit 4 in Florida Ramps Up to 94 Percent October 12

The unit was decreased to 60 percent capacity on October 11 to fix a component that controls a valve in the feed water heater system.

Bloomberg News, 13:55 October 12, 2006

BP to Add New 250 MW Steam Turbine Power Unit at Texas City, Texas Refinery

On October 11, BP broke ground on a new 250 MW steam power unit at its Texas City refinery, which will increase the total electricity generation capacity at the refinery to 1,000 MW. The new plant will be located near the existing South Houston Green Power LP cogeneration facility and is expected to begin operation in the second quarter of 2008.

<http://biz.yahoo.com/prnews/061011/nyw162.html?.v=58>

<http://biz.yahoo.com/bizj/061011/1359060.html?.v=1>

Petroleum

BP Alaska Faces New Question After Discovery of 2002 State Compliance Order

The House Energy and Commerce Committee has raised a new question regarding BP's safety program in Alaska. Investigators have discovered a May 2002 compliance order from the Alaska Department of Conservation that required BP to inspect Prudhoe Bay oil field pipelines. Among other things, the order required that BP determine the amount of sediment that can cause corrosion in both the Eastern and Western operating area pipeline systems that connect the to Trans-Alaska Pipeline System. The discovery of the order may undermine BP executives' claims that BP could not have known whether the pipelines contained "unacceptable amounts of solids."

http://www.energyintel.com/DocumentDetail.asp?document_id=186765

<http://www.platts.com/Oil/News/6304410.xml?p=Oil/News&sub=Oil>

<http://xtramsn.co.nz/businessandmoney/0..13273-6422601.00.html>

http://energycommerce.house.gov/108/News/10062006_2058.htm

200,000 b/d Rainbow Crude Oil Pipeline Shut in Alberta, October 11

The pipeline will be shut for at least 48 hours after about 1,260 barrels of oil leaked from its line near Slave Lake, Alberta on October 11. The spill has been contained and the cause of the spill is currently being investigated. The company spokesperson said he expects the line to be back up in a few days.

Oil Daily, October 12, 2006

250,000 b/d Sakhalin-1 Oil Project in Russia Delayed

Russian authorities are delaying full-scale operation of the Exxon Mobil-led Sakhalin-1 oil project while they inspect the site's oil terminal. Project members say it may take two months before full operations are allowed. They also said full scale oil production of 250,000 bpd could be delayed to the first quarter of 2007, from the initial target of the end of this year, since the facilities need more work.

http://www.gulftimes.com/site/topics/article.asp?cu_no=2&item_no=112424&version=1&template_id=48&parent_id=28

Natural Gas

Nothing to report.

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
October 12, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	57.98	60.02	64.15
NATURAL GAS Henry Hub \$/Million Btu	5.17	4.69	13.69

Source: Reuters

Energy Notes

Praxair to Build Hydrogen Plant at Chevron Refinery in California

http://biz.yahoo.com/ap/061011/praxair_chevron.html?.v=1

Nigeria Pumping 700,000 b/d Below Capacity of 3 Million b/d of Oil

Bloomberg News, 09:52 October 12, 2006

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>

Please direct comments and questions to: ead@oe.netl.doe.gov